

February 28, 2007

HONORABLE MAYOR AND CITY COUNCIL:

In compliance with City Charter Section 1204, and the City Council's adopted budget process, this document provides both the 2007-2008 City Manager's Budget Request and the 2008-2012 Five-Year Forecast and Revenue Projections for the General Fund and Capital Improvement Program.

The City Manager's Budget Request and Five-Year Forecast are key components of the City's annual budget process, and critical steps in the development of both the City's annual Operating and Capital Budgets and the Five-Year Capital Improvement Program (CIP). The City Manager's Budget Request includes the budget balancing strategy principles that the Administration recommends be used to develop the 2007-2008 Proposed Budget. These principles are predicated on the most current projections for expenditure requirements and available revenue in the coming fiscal year. As the City's fiscal status for 2007-2008 is an integral part of the Administration's proposed approach to preparing next year's budget, a detailed discussion of the key economic, revenue, and expenditure assumptions for 2007-2008, and the subsequent four years, is provided as part of the 2008-2012 Five-Year Forecast and Revenue Projections sections of this document.

The Administration recommends City Council review, approval, and/or amendment of the proposed City Manager's Budget Request be provided as part of the Mayor's March Budget Message review process.

2007-2008 CITY MANAGER'S BUDGET REQUEST

This document provides both financial projections as well as a set of budget principles recommended by the City Administration for use in preparing the 2007-2008 budgets for the General Fund and selected Capital Funds. The recommendations contained in this City Manager's Budget Request have been formulated in the context of projections for a fiscal environment in which modest growth rates for City General Fund revenues can be expected for the entire forecast period. Although we have provided two alternate forecast scenarios that model the potential outcomes for more optimistic and more pessimistic conditions, the Administration recommends that the Base Case multi-year scenario be used as a backdrop for the City Council's immediate fiscal decision making.

The forecast is built on the assumption that although the Valley economy and the associated City revenue performance will experience modest growth, expenditure levels of existing General Fund programs will exceed growth rates of General Fund revenue sources in all five years of the forecast period. The result is projections for reasonably small, but persistent, General Fund shortfalls in each of the five years of the forecast, and the need for expenditure cuts, and/or revenue increases annually, until such time as a structural balance can be achieved.

2007-2008 CITY MANAGER'S BUDGET REQUEST (CONT'D.)

This forecast updates the November 2006 Preliminary General Fund Forecast that projected a \$19.8 million shortfall next year. As discussed later in this Transmittal Memorandum and in greater detail in this document, these updated projections indicate a slightly smaller General Fund shortfall for 2007-2008 in the amount of \$16.2 million. While this funding gap represents slightly less than 2% of the base expenditure level for 2007-2008, it will still present a significant challenge given the budget reductions that have already been sustained over the last five years. In addition, as discussed in City Council Study Sessions in November 2006 and in February 2007, there is a significant need for additional resources to address unfunded initiatives and programs and unmet/deferred infrastructure and maintenance needs. Some of these unfunded needs include the unfunded liability in the City's two retirement systems due to recent Government Accounting Standards Board changes (GASB 43/45) related to accounting and reporting requirements associated with post-employment benefits, with a price tag of up to \$1.4 billion (\$98 million required annually from all City funds); the shortfall of \$7.9 million to remediate and restore Watson Park; the Police Five-Year Staffing Plan that identified funding needs in excess of \$300 million over five years; and unmet/deferred infrastructure and maintenance needs that could cost up to \$445 million, of which \$20-\$25 million would be required annually. It is anticipated that the City Council will need to consider partial or full implementation of some of these items given their critical nature, further increasing the deficit.

Projections for the selected Capital Improvement Program (CIP) revenues included in this Forecast remain relatively unchanged from that included in the prior Capital Improvement Program. For the major development-related capital budget revenues (which primarily support the Traffic Capital Budget), a small overall increase to the revenue estimates included in the prior CIP is forecasted, based on development activity projections provided by the Planning, Building and Code Enforcement Department and actual collection patterns. For the Construction and Conveyance (C&C) Tax, which supports a number of capital programs, it is anticipated that collections will fall from the record setting levels experienced in recent years but will normalize at levels above those assumed in the development of the last CIP.

In approaching the 2007-2008 budget development process, the Administration proposes to utilize the overall set of budget principles outlined below. In addition, City Council priorities and goals identified in prior policy sessions should guide our balancing strategy efforts. As part of the Reed Reforms, the budget process has been expanded this year to solicit additional input from the community and the City Council on identifying needs and priorities. This has included a community survey, a conference on priorities with neighborhood associations, a City Council/City Management Priority Setting/Strategic Planning session, and a City Council Study Session on New Initiatives and Unfunded Programs. It is anticipated that feedback from these efforts will be incorporated into the Mayor's March Budget Message. The Administration will also focus on efforts to begin eliminating the structural budget deficit, which was identified as one of the three-year goals in the City Council/Management Team Priority Setting/Strategic Planning Retreat.

The Administration requests City Council consideration and confirmation, or revision, of the following principles to be used in formulating the budget. These principles incorporate both short-term and long-term approaches to budget balancing efforts.

2007-2008 CITY MANAGER'S BUDGET REQUEST (CONT'D.)

Budget Balancing Strategy Principles	
1.	Balance the City's ability and capacity to provide essential services to the community, support economic growth, build strong neighborhoods, and stabilize the City's budget.
2.	Mitigate to the extent possible direct service reductions by utilizing a combination of ongoing expenditure reductions and increases or retention of ongoing revenue sources, coupled with one-time expenditure cuts, one-time revenues, and/or a portion of the reserves designated for budget balancing purposes, while continuing the City's high standards of fiscal integrity and financial management.
3.	In addition to strategies that achieve efficiencies and appropriate cost savings, utilize fee increases to assure that operating costs are fully covered by fee revenue and explore opportunities to establish new fees for services where appropriate.
4.	Focus on protecting vital core City services for both the short- and long-term. Analyze all existing services and focus service reductions first in those areas that are least essential.
5.	Defer consideration of any new program commitments and initiatives or program expansions, unless those program commitments stimulate the local economy, job creation, new revenues and/or are funded through redeployment of existing resources.
6.	Consider alternative service delivery mechanisms (e.g., appropriate community partnerships, public-private partnerships, working with other jurisdictions, outsourcing/insourcing services delivered by City staff, etc.) to ensure no service overlap, reduce and/or share costs, and use our resources more efficiently and effectively.
7.	Focus on improving employee productivity and continuously improving business practices, including streamlining, innovating, and simplifying City operations (e.g., using technology) so that services can be delivered at a higher quality level, with better flexibility, and lower cost.
8.	Use the General Plan as a primary long-term fiscal planning tool and link ability to provide City services to development policy decisions.
9.	Explore expanding and/or re-directing existing revenue sources and/or adding new revenue sources (i.e., special assessments, ordinance revisions, bond measures) for the long term.
10.	Continue to make community and employee involvement a priority for budget balancing idea development.
11.	Make every effort to eliminate vacant positions, rather than filled positions, to limit the number of employee layoffs. As programs are reduced or eliminated, ensure that program management and administration are reduced accordingly.
12.	Explore personal services cost savings, subject to the meet and confer process where applicable, by 1) considering further incorporation of total compensation bargaining concepts into the meet and confer process and focusing on all personal services cost changes (e.g., step increases, benefit cost increases), 2) civilianizing more sworn positions, 3) exploring alternate benefit structures for new employees, and 4) changing employee/retiree health care benefit plan designs.

2007-2008 CITY MANAGER'S BUDGET REQUEST (CONT'D.)

In light of the current forecasted budgetary situation, in November, the Administration directed each of the six current City Service Areas (CSAs) (Community and Economic Development, Environmental and Utility Services, Neighborhood Services, Public Safety, Transportation and Aviation Services, and Strategic Support) to develop 2007-2008 budget proposals necessary to eliminate the projected General Fund shortfall utilizing these principles. For planning purposes, targets for the size of budget proposals to be submitted for consideration were set at 2.0% of General Fund Base Budget (adjusted) amounts for the Public Safety CSA and 15.6% for the remaining five CSAs.

The Mayor will issue a proposed March Budget Message in early March, which will then be discussed and/or amended, and adopted by the City Council. The contents of that Message will provide specific guidance for the preparation of the City Manager's 2007-2008 Proposed Capital and Operating Budgets currently scheduled to be submitted on April 23, 2007 and May 1, 2007, respectively. As required by City Charter, those Proposed Budgets will contain comprehensive plans for how the City organization will meet the City Council's priorities and community service needs while maintaining the fiscal integrity of the City. Additional input by the City Council and community will be incorporated into the budget through the Proposed Budget Study Sessions, Public Hearings, and the Mayor's June Budget Message Memorandum during the months of May and June 2007.

2008-2012 FIVE-YEAR FORECAST AND REVENUE PROJECTIONS

The 2008-2012 Five-Year Forecast and Revenue Projections portion of this document is divided into five sections.

1. **Elements of the General Fund Forecast** – This section begins with a description of the overall economic outlook and the expected performance of the economy over the five-year period, followed by detailed descriptions of the assumptions made concerning each of the General Fund revenue and expenditure categories. The Elements of the General Fund Forecast section ends with the information regarding the projected General Fund operating margin for each of the five years included in the forecast period.
2. **Base General Fund Forecast** – The forecast model is presented in this section. It includes a worksheet on the economic drivers (e.g., Gross Domestic Product, unemployment rates, etc.) that are expected to impact revenue collections over the next five years, and projections for each of the revenue and expenditure categories. The expenditure summary is divided into two sections:
 - *Base Case without Additions* – This section describes projections associated with existing expenditures only.
 - *Base Case with Committed Additions* – This section describes the existing expenditures (Base Case) along with those expenditures to which the City is committed by previous Council direction and has less discretion, such as debt service payments and maintenance and operating costs for capital projects scheduled to come on-line during the next five years.

2008-2012 FIVE-YEAR FORECAST AND REVENUE PROJECTIONS (CONT'D.)

The Five-Year Forecast discussion is based on the Base Case with Committed Additions scenario, which is considered the most likely scenario for the upcoming year.

3. **Committed Additions to the Base General Fund Forecast** – This section describes the committed additions considered in the forecast.
4. **Alternative Forecast Scenarios** – Because all forecasts are burdened with a large degree of uncertainty, two plausible alternative forecast scenarios are presented – an “optimistic” case and a “pessimistic” case. These cases are compared with the Base Case, with committed additions, to show the range of growth rates for revenues and expenditures and the associated operating margins.
5. **Capital Revenue Forecast** – This section describes the estimates for construction and real estate related revenues that are major sources of funding for the City’s Five-Year Capital Improvement Program.

Two appendices are also included in this document. The first appendix, prepared by the Planning, Building and Code Enforcement Department, documents the basis for that department’s five-year projections for construction activity. The second appendix is a compilation of descriptions of the City’s major General Fund revenue categories.

2008-2012 FIVE-YEAR GENERAL FUND FORECAST

The following table shows the projected revenues and expenditures for the General Fund Base Case over the next five years. The “incremental” shortfall (the amount which results assuming each preceding deficit is solved completely with ongoing solutions in the year it appears) for each of the four out years of the forecast is also included. In 2009-2010, \$20.6 million of the incremental shortfall is the result of the sunseting of the Emergency Communication System Support (ECSS) Fee. For display purposes, the table below also shows the incremental shortfall assuming the ECSS Fee is extended and the other revenues perform as anticipated.

2008-2012 GENERAL FUND FIVE-YEAR FORECAST

	(\$ in Millions)				
	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012
Projected Revenues	\$ 830.7	\$ 850.2	\$ 858.7	\$ 890.7	\$ 923.2
Projected Expenditures	\$ 846.9	\$ 891.9	\$ 934.7	\$ 970.3	\$ 1,010.6
Difference	(\$ 16.2)	(\$ 41.7)	(\$ 76.0)	(\$ 79.6)	(\$ 87.4)
Incremental Shortfall	(\$16.2)	(\$25.5)	(\$34.3)	(\$3.6)	(\$7.8)
<i>Incremental Shortfall w/ECSS Fee Extended</i>	(\$16.2)	(\$25.5)	(\$13.7)	(\$3.6)	(\$7.8)

2008-2012 FIVE-YEAR GENERAL FUND FORECAST (CONT'D.)

The projected shortfall for 2007-2008 of \$16.2 million is improved from both the \$41.7 million shortfall projected for 2007-2008 in the February 2006 Forecast and the \$19.8 million shortfall projected in the November 2006 Preliminary Forecast, reflecting a series of updates to revenue and expenditure estimates. As discussed in the Preliminary Forecast released in November 2006, the improvement from the February 2006 Forecast and the November 2006 Forecast was primarily the result of upward revisions to the revenue estimates. In many cases, these adjustments reflected higher than projected 2005-2006 actual collections that are carried forward. In addition, the growth rates for 2007-2008 have been increased in some of the categories to reflect recent trends. The slight improvement from the November 2006 Forecast and this February 2007 Forecast is primarily due to lower expenditure estimates based on a more in-depth review of the base costs.

One-time funding of \$10.6 million from the 2007-2008 Future Deficit Reserve that was established per City Council policy as part of the 2005-2006 Annual Report actions and increased as part of the 2006-2007 Mid-Year Budget Review is also available. If this funding was used in its entirety to balance next year's budget, the 2007-2008 deficit could be reduced to \$5.6 million. It is very important to again reiterate, however, that this forecast utilizes an incremental approach to each year's projection. Under this approach it is assumed that the budget is completely balanced on an ongoing basis in each year. To the extent that a shortfall in any one year is closed using one-time measures such as the reserve referenced above, the shortfall in the following year would be increased by that amount.

The incremental shortfalls in this Forecast range from a low of \$3.6 million in 2010-2011 to a high of \$34.3 million in 2009-2010. As discussed above, the large spike in the shortfall in 2009-2010 is based on the presumption of a sunseting of the Emergency Communication System Support Fee, with a resulting loss of \$20.6 million in revenue that year. The persistent shortfalls reflect the fact that revenue growth is projected to lag behind the expenditure growth in all five years. In the last two years of the Forecast, the incremental shortfalls are relatively small given the size of the City's budget. For instance, the incremental shortfall of \$7.8 million in the final year of the forecast reflects less than 1% of the projected expenditures in that year of \$1 billion.

Some caution is in order, however, when considering the significance of out-year projections. Given the decreasing level of precision to be expected in the later years of a multi-year forecast, the significance of the projections in the out years is not so much in terms of their absolute amounts, but rather in the relative size of the decrease or increase from the prior year. This information should be utilized to provide a multi-year perspective to budgetary decision-making, rather than as a precise prediction of what will occur.

Committed Additions

Reflecting previous City Council commitments, a number of specific "Committed" additions are included in this Base Case forecast in the years that they are projected to be required. The Committed Additions category primarily reflects projected maintenance and operating costs for new capital projects now in the Adopted Capital Improvement Program, including bond-financed

2008-2012 FIVE-YEAR GENERAL FUND FORECAST (CONT'D.)

libraries, community centers, parks and public safety facilities, and street improvements. Some of the larger facilities expected to come on line during this forecast period are Fire Stations 34 (Berryessa) and 37 (South Willow Glen), South San José Police Substation, Mayfair and Bascom Community Centers, and Pearl and Joyce Ellington branch libraries.

Only one new item has been added to the Committed Additions section, when compared to the forecast released in February 2006. Funding has been added to complete a Comprehensive General Plan Update, as directed by the City Council in the Mayor's June Budget Message for Fiscal Year 2006-2007. The last comprehensive update was completed in 1994. Traditionally, General Plans undergo a comprehensive update every ten years. With important land use decisions to be made for the future development of the Coyote Valley and Evergreen areas, an updated General Plan is critical.

Comparison of Base, Optimistic, and Pessimistic Cases

As has been the practice in these forecasts, in order to model the range of financial scenarios possible under varying economic conditions, two alternative forecasts have been developed. "Optimistic" and "Pessimistic" cases have been created to model economic scenarios considered possible, but less likely to occur than the "Base Case". In these scenarios, revenue collections and expenditure requirements can be seen to diverge from the Base Case over the five years. These alternatives are presented to provide a framework that gives perspective to the Base Case. The Base Case Forecast is still considered, however, the most likely scenario for planning purposes. In developing these alternate cases, selected economic variables that are the primary drivers of the revenue estimates in the forecast model have been raised or lowered so that revenues are modeled at plausibly more optimistic or pessimistic levels. Salary increase assumptions have also been modified to model different potential compensation packages.

The Optimistic Case differs from the Base Case in that it is one in which general economic conditions, particularly those that have a significant local impact, are more favorable than those assumed by the Base Case. In the Optimistic Case, the local housing market is stronger as a result of lower than expected interest rates. This housing market strength affects property taxes directly through higher valuations and sales taxes indirectly through higher consumer confidence and borrowing power. On the expenditure side, costs are lowered by assuming that salary increases would be 1% lower per year starting in the third year of the forecast when compared to the Base Case. This would result in savings of \$6.1 million in 2009-2010. By the end of the five-year period, costs under that scenario would be \$19.6 million lower than in the Base Case. In the Optimistic Case, the City would experience deficits in the first three years of the Forecast ranging from \$4.9 million to \$23.6 million, but would then have surpluses of approximately \$8 million per year in the last two years.

In the Pessimistic Case, higher interest rates significantly impact the local housing market. In this scenario, both home prices and resale activity decline sharply, much more than envisioned in the Base Case. Typically, when home prices fall, consumer confidence tends to fall as does the ability to borrow in home equity markets. These events would have a significant impact on both

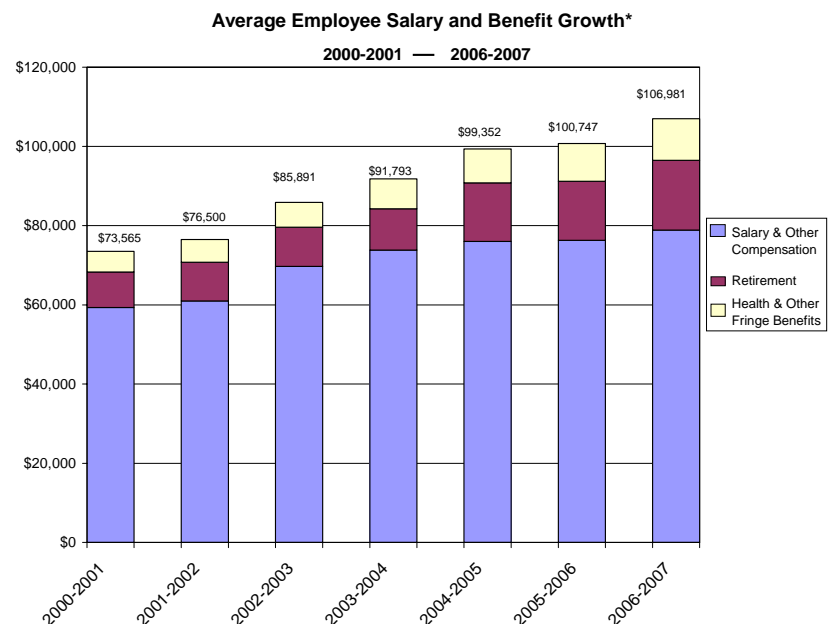
2008-2012 FIVE-YEAR GENERAL FUND FORECAST (CONT'D.)

property tax and sales tax. Local employment, one of the most important variables affecting local revenues, also falls in each year of this scenario. If higher interest rates do materialize at the national level, these higher rates would slow overall business in the U.S. and the world as a whole. Lower local employment results from decreased demand for high-tech goods at the national level and a lack of any significant innovation from the County's businesses. On the expenditure side, costs grow at a faster pace than in the Base Case. This scenario assumes that salary increases would be 1% higher per year starting in the third year of the forecast when compared to the Base Case. This would result in additional costs of \$6.1 million in 2009-2010. By the end of the five-year period, costs would be \$20.0 million higher than in the Base Case. In the Pessimistic Case, the annual deficits range from \$23.9 million to \$51.5 million.

ADDRESSING THE STRUCTURAL GENERAL FUND DEFICIT

As has been the case for the past five years, the projected growth in revenues is not expected to keep pace with the projected growth in expenditures in the Forecast Base Case, resulting in a persistent structural deficit in the General Fund. The elimination of this structural budget deficit was identified as a three-year goal in the City Council/Management Team Priority Setting/Strategic Planning meeting that took place on February 20, 2007. As an outcome of that meeting, staff has been working on several six-month objectives to address this issue, including evaluating the upcoming labor contracts and identifying how specific elements in contracts impact the structural deficit; evaluating the City's accounts receivables and developing a collection strategy to maximize revenues; reviewing the City's retail strategy to determine how to best move this plan forward in a cost-effective manner to generate additional City revenues; and identifying all elements of General Fund expenditures that are growing faster than projected revenues.

The Administration has been analyzing the personal services expenditures for the City, which represent the single largest cost of the General Fund. As part of this Forecast, staff has compiled data on the growth in salary and benefit costs for the average employee from 2000-2001 to 2006-2007 to provide historical context to the growth in this area. This analysis shows that total average personal services costs grew by 45%, with average salary and other compensation increasing 33% over this period, while retirement costs increased 96% and health and other fringe



* Figures based on Adopted Budgets and represent an approximate average cost due to partial year funding of some positions in each year.

benefit costs grew by 99%. This clearly illustrates the fact that growth in retirement and benefit costs are far outpacing the growth in salaries and in City revenues.

For the 2008-2012 Five-Year Forecast, the personal services costs have been broken out into salaries and other compensation, retirement, and health and other fringe benefit categories to better display the projected growth in these components of personnel costs. Over this period, increases of 17.9% for salaries, 18.1% for retirement, and 41.2% for health costs are projected. In contrast, revenues are projected to grow 11.1% over this period. (This revenue growth figure rate would increase to 13.6% if the Emergency Communication System Support Fee is not sunsetted in 2009-2010). The imbalance between the projected growth in revenues and personal services costs continues to be a major contributor to the structural deficit.

CAPITAL REVENUE FORECAST

Section Five of this report describes the 2008-2012 Capital Budget Revenue Forecast that will be used to formulate several major elements of the Capital Improvement Program (CIP). As in past years, the construction-related revenue estimates included in this report are derived from construction activity projections provided by the Planning, Building and Code Enforcement Department. The projections and their basis are described in a report prepared by that department, which is included as Appendix A of this document (Development Activity Highlights and Five-Year Forecast [2007-2012]). This activity forecast includes a review of specific projects that are in progress, as well as a general prediction of expected levels of new construction.

The following table compares the estimates for the economically sensitive capital revenue categories included in this Five-Year Forecast with those included in the 2007-2011 Adopted CIP.

Forecast Comparison Summary (\$ in Thousands)

	2007-2011 CIP	2008-2012 Forecast	Difference	Change
Construction and Conveyance (C&C) Tax	119,000	127,000	8,000	7%
Building and Structure Construction Tax	49,952	50,167	215	0%
Construction Excise Tax	69,928	72,203	2,275	3%
Residential Construction Tax	1,214	1,124	(90)	(7%)
Sanitary Sewer Connection Fee	5,654	6,305	651	12%
Storm Drainage Connection Fee	2,624	1,565	(1,059)	(40%)
TOTAL	248,372	258,364	9,992	4%

CAPITAL REVENUE FORECAST (CONT'D.)

Real estate activity (primarily housing resales) determines the collection level of one of the major capital revenue sources, the Construction and Conveyance (C&C) Tax. The decline from the record number of real estate transactions, as predicted in the development of the 2007-2011 Forecast and after experiencing years of double-digit growth, has continued through the first part of 2006-2007. Despite this decline, C&C Tax collections are expected to normalize at a higher level than previously estimated. The C&C Tax revenue estimates included in this forecast, totaling \$127 million, reflect growth of 7% from the prior CIP. This estimate is built on the assumption that collections in the current year will total \$34 million, will drop to \$27 million in 2007-2008, and will level off at \$25 million annually for each of the remaining years of the five-year forecast. The average collection level assumed in the 2008-2012 Forecast, however, is well below actual collection levels in recent years that reached a peak of \$49.0 million in 2005-2006.

C&C Tax collections received in January 2007 represented the ninth consecutive month of declining revenues compared to the same month in the prior year. A number of indicators suggest these revenues may not have yet reached bottom. The number of property transfers for all types of residences from June 2006 and January 2007 decreased by 25% when compared to the same period last fiscal year. The average days on market has steadily grown from 45 days in January 2006 to 67 days in January 2007. Despite the lag in the real estate market, however, it is still anticipated that C&C Tax receipts will end the year above the estimate in the current CIP.

The remaining five economically sensitive capital revenue categories are directly linked to development activity. Based on projections provided by the Planning, Building and Code Enforcement Department, construction activity is expected to remain relatively flat with valuation hovering around \$1 billion in each of the next five years. These assumptions are consistent with those presented in the 2007-2011 Forecast. Construction activity peaked in 2000-2001 at \$1.9 billion, followed by a sharp decline that reached a low point of \$766 million in 2003-2004. From that low point, a modest recovery occurred in 2004-2005 with growth of 14% in that year. However, in 2005-2006, construction activity dipped to \$774 million, primarily due to a fall off of multi-family development to a ten-year low. A modest rebound, especially in the downtown area, is anticipated in 2006-2007 and 2007-2008, with a slight decrease anticipated in 2008-2009 before returning to modest growth in the out years of the forecast. Based on the construction activity estimates and a review of revenue collection patterns, an overall increase in the construction-related taxes and fees of \$2.0 million, or 1.5%, is expected when comparing the 2008-2012 Forecast to the 2007-2011 Adopted CIP estimates.

CONCLUSION

This document compares the projected revenues and expenditures for the General Fund over the next five years as well as provides estimates for some of the key revenues that support the City's Capital Program. The estimated 2007-2008 General Fund deficit of \$16.2 million is less than half of the \$41.7 million deficit forecasted for 2007-2008 at this time last year and slightly below the November 2006 deficit figure of \$19.8 million. This 2008-2012 General Fund Five-Year

CONCLUSION (CONT'D.)

Forecast, however, illustrates that even with this improved situation, a relatively small but persistent structural imbalance in the General Fund budget remains, without consideration of the myriad of additional program needs that face the City, as expenditure growth outpaces revenue growth in each year of the forecast.

The revenue and expenditure projections for the 2007-2008 fiscal year will continue to be refined over the next couple of months as additional information becomes available. Any adjustments will be incorporated into the 2007-2008 Proposed Operating Budget.

Despite the continuing fiscal challenges that we face, we remain confident that through continued strong leadership of the Mayor and City Council, and utilizing the proven financial management and strategic thinking that has served us so well in the past, we can and will work collaboratively and successfully to formulate a plan to continue to provide our citizens with quality services.

Les White
City Manager